2012/2015
BUSINESS PLAN

Alberta Gaming and Liquor Commission

AGLC
Alberta Gaming and Liquor Commission
An Agent of the Government of Alberta

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The Commission

A crown commercial enterprise, the Alberta Gaming and Liquor Commission (AGLC) is an agent of the Government of Alberta and consists of a Board and a Corporation. The AGLC's structure includes:

- A Board consisting of seven members and the Chief Executive Officer (ex-officio) that reports through the Chairperson to the Minister of Finance; and
- Seven divisions that report to the CEO and manage the day-to-day operations of the organization.

The AGLC has two core businesses: liquor and gaming. The Board develops policy, conducts hearings, and makes licensing and registration decisions to ensure that Alberta's liquor and gaming industries are well regulated and well managed to benefit the people of the province. The AGLC's role is to administer the *Gaming and Liquor Act*, Regulation and related policy and for regulating Alberta's charitable gaming model and conducting and managing provincial gaming activities. The AGLC also controls the manufacture, importation, sale, purchase, possession, storage, transportation, use and consumption of liquor in Alberta. A more detailed description of the AGLC can be found at aglc.ca.

The AGLC's vision is to ensure gaming and liquor sustainability for Alberta and its mission is to provide and protect Albertans' choices.

Strategic Directions

Strategic directions outline a course of action to assist the AGLC in achieving its goals. Each year, the Board and Executive Committee jointly review and revise these strategic directions to ensure they remain viable in light of current economic, industry and environmental trends. These are the AGLC's strategic objectives for the next five years:

1. Review the charitable gaming model to ensure charities and communities continue to benefit from the changing Alberta landscape.
2. Enhance our understanding of customer groups and use that knowledge to modernize and transform the gaming experience to broaden the player base and grow revenues in a sustainable way.
3. Streamline business processes and services and deliver them to customers through the most appropriate channel (with preference given to web-based service delivery).
4. Invest in technology and continually evolve business practices to mitigate security risks, ensure accountability, and protect revenue.
5. Foster a culture of moderation to prevent and reduce gambling and liquor related harm.
6. Leverage partnerships between the AGLC, other government ministries, jurisdictions and stakeholders to ensure that client and business needs are met and the AGLC's reputation of being approachable and consultative is upheld.
7. Continue to build a culture where employees are empowered to actively identify, lead and implement change to increase organizational efficiency and effectiveness.
8. Communicate proactively with Albertans using current and emerging technologies to raise awareness of AGLC programs and services.

Goals, Business Priorities & Performance Measures

Core Business 1: Liquor

Alberta differs from other provinces in that the private sector operates the product selection, distribution and retailing of liquor. The AGLC is responsible for the licensing and regulation of all liquor activities in accordance with the *Gaming and Liquor Act* and Regulation, other provincial and federal legislation and policy to ensure that liquor activities are conducted with integrity. The AGLC also promotes the responsible sale and consumption of liquor.

Goal 1: Maintain the integrity of Alberta's liquor industry

Business Priorities:

1.1 Streamline business processes to enhance customer service, including reviewing the liquor licensing process.

1.2 License and register eligible applicants, conduct inspections of licensed premises, and investigate complaints and alleged violations related to illegal liquor activities in licensed premises.

1.3 Review legislation and policies to ensure Alberta's liquor model continues to meet the expectations of Albertans.

1.4 Register and ensure liquor products to be offered for sale in Alberta are compliant with legislation, regulation and policy.

Performance Measures:

1.a Percentage of liquor licensees who comply with legislation, regulation and policy

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
96.7%	96.7%	97.0%	97.5%

1.b Percentage of Albertans satisfied that liquor is provided in a responsible manner

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
94.6%	94.6%	95.0%	95.5%

Goal 2: Encourage a culture of moderation to reduce alcohol related harms

Business Priorities:

2.1 Continue to develop, implement and evaluate initiatives and training programs that encourage the responsible service and consumption of alcohol in collaboration with partners and stakeholders.

2.2 Address the causes and impacts of violence in and around licensed premises and work towards improving safety in these premises in conjunction with the Alberta Safer Bars Council.

2.3 Implement the Alberta Alcohol Strategy in partnership with Alberta Health Services.

Performance Measures:

2.a Percentage of Albertans aware of prevention and treatment programs for alcohol abuse

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
89.6%	89.6%	90.0%	90.5%

2.b Percentage of Albertans that drink alcohol in moderation

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
91.0%	91.0%	91.5%	92.0%

2.c Percentage of Albertans satisfied with the safety and security in and around licensed premises

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
90.0%	90.0%	90.5%	91.0%

Goal 3: Sustain the province's revenue from liquor operations

Business Priorities:

3.1 Continue to work with stakeholders to streamline and improve the efficiency of payment processes while maintaining the security and control of liquor revenue collections, treasury functions and payments.

3.2 Recommend a responsive mark-up policy to ensure liquor mark-up is reflective of overall government revenue requirements.

3.3 Review and make recommendations to the liquor licence and registration fees ensuring these fees are reflective of the costs of providing the service.

3.4 Take a proactive role and collaborate with liquor agents to ensure that a reasonable pre-registration business plan and an accurate forecast of liquor inventory movement is in place.

3.5 Monitor the performance of the private warehouse operator to ensure service levels are maintained and efficiencies achieved are reflected in the warehouse rates charged to agencies and licensees.

3.6 Ensure liquor imported to Alberta is compliant with federal customs and excise legislation.

3.7 Construct a new liquor warehouse and distribution facility and re-engineer the existing warehouse to improve operational efficiencies.

Performance Measures:

3.a Liquor and other net operating results (thousands of dollars)

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
683,521	701,129	710,759	726,226

3.b Percentage of Albertans satisfied with the selection of products at liquor stores

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
94.0%	94.0%	94.5%	95.0%

Core Business 2: Gaming

In Alberta, gaming is classified as either charitable gaming (includes table games, pull-ticket sales, raffles and bingo events) or provincial gaming (includes ticket lotteries, slot machines, video lottery terminals, and electronic bingo). The AGLC licenses and regulates all charitable gaming activities and conducts/manages provincial gaming activities. It is the AGLC's responsibility to ensure these gaming activities are provided in accordance with the *Criminal Code* (Canada), the *Gaming and Liquor Act* and Regulation, other provincial and federal legislation, and policy. The AGLC is also committed to ensuring that all gaming activities are delivered in a manner that encourages responsible gaming and meets the needs of consumers and communities.

Goal 4: Uphold the integrity of Alberta's gaming activities

Business Priorities:

4.1 Determine whether organizations are eligible for charitable gaming licences and license eligible applicants in accordance with legislation and policies.

4.2 Enhance applicants' and licensees' understanding of gaming legislation and policies through multiple channels, including the Gaming Information for Charitable Groups (GAIN) program.

4.3 Ensure charities receive all funds to which they are entitled, that the use of proceeds are reported in a timely manner, and that proceeds are used for approved purposes.

4.4 Investigate gaming complaints and alleged gaming violations, conduct due diligence investigations, and inspect/audit gaming licensees and events.

4.5 Review policies and procedures to ensure the integrity of the gaming industry is maintained.

4.6 Ensure the security and integrity of all electronic gaming equipment.

Performance Measures:

4.a Percentage of charitable gaming activities conducted in accordance with legislation, regulation and policy

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
99.2%	99.2%	99.2%	99.2%

4.b Percentage of Albertans satisfied that the gaming activity they participated in was provided fairly and in a responsible manner

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
92.4%	92.4%	93.0%	93.5%

4.c Percentage of gaming integrity issues resolved within established timeframes

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
98.3%	98.3%	98.3%	98.3%

Goal 5: Encourage the development of healthy, sustainable gaming environments that minimize gambling related harm

Business Priorities:

5.1 Continue to develop, implement and evaluate initiatives that encourage responsible gambling in collaboration with partners and stakeholders including training programs and an accreditation and awards program for gaming retailers and operators.

5.2 In collaboration with Alberta Health Services, support the development of treatment options that meet the needs of Albertans.

5.3 Establish an Alberta Responsible Gambling Council.

5.4 In collaboration with other gaming jurisdictions across Canada, develop a national approach in best practice responsible gambling programs.

Performance Measures:

5.a Percentage of Albertans aware of prevention and treatment programs for problem gambling

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
84.0%	84.0%	84.5%	85.0%

5.b Percentage of Albertans that gamble responsibly

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
97.0%	97.0%	97.0%	97.0%

5.c Percentage of Albertans satisfied that licensed gaming venues are safe and responsible environments in which to gamble

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
68.3%	69.0%	70.0%	71.0%

Goal 6: Sustain revenues from gaming operations by responding to player expectations and changes in the environment

Business Priorities:

6.1 Invest in research and innovation and modernize gaming technology to enhance the gaming experience and sustain revenues in a responsible manner.

6.2 Develop distribution channels and invest in high performing games and devices to reflect player expectations and the views and values of Albertans.

6.3 Review the Alberta charitable gaming model to ensure it remains effective and efficient so charities and Albertans receive benefits from gaming.

6.4 Enable cross-jurisdictional collaboration to cost effectively leverage gaming products and services opportunities.

6.5 Ensure effective asset management for all electronic gaming terminals and other gaming equipment.

6.6 Improve business processes to enhance customer service.

Performance Measures:

6.a Gaming net operating results (thousands of dollars)

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
1,440,677	1,336,405	1,361,658	1,414,999

6.b Percentage of Albertans satisfied with the availability of gaming products and services

2010-11 Actual	Target 2012-13	Target 2013-14	Target 2014-15
81.3%	81.3%	82.0%	82.5%

Alberta Gaming and Liquor Commission Statement of Operations

(Thousands of dollars)	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Target	2013-14 Target	2014-15 Target
Net Revenue						
Slots (includes E-Bingo)	$ 816,993	$ 862,609	$ 862,609	$ 796,173	$ 806,727	$ 818,896
Video Lottery Terminals	492,734	515,057	500,057	494,470	519,528	546,501
Ticket Lottery	318,884	264,236	264,236	309,391	319,227	338,175
Liquor	689,056	731,009	706,009	715,202	725,930	736,819
Other income	13,888	15,107	15,107	15,811	15,773	20,366
	2,331,555	2,388,018	2,348,018	2,331,047	2,387,185	2,460,757
Operating Expenses	(207,357)	(281,319)	(231,319)	(293,513)	(314,768)	(319,532)
Net Operating Results	2,124,198	2,106,699	2,116,699	2,037,534	2,072,417	2,141,225

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